

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED

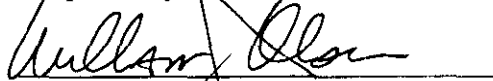
POSTAL RATE AND FEE CHANGES, 1997)

Docket No. R97-198

RESPONSE OF NASHUA PHOTO INC., DISTRICT PHOTO INC.,
MYSTIC COLOR LAB, SEATTLE FILMWORKS, INC.,
AND MERCK-MEDCO MANAGED CARE, L.L.C.
TO FIRST SET OF INTERROGATORIES
OF UNITED STATES POSTAL SERVICE (USPS/NDMS-T3-46)
(February 20, 1998)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Nashua Photo Inc., District Photo Inc., Mystic Color Lab, Seattle FilmWorks, Inc., and Merck-Medco Managed Care, L.L.C., hereby provide the responses of witness John Haldi to the following interrogatory of the United States Postal Service: USPS/NDMS-T3-46, served on February 6, 1998. The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,



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Merck-Medco Managed Care, L.L.C.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



William J. Olson

February 20, 1998

USPS/NDMS-T3-46

Please see your response to USPS/NDMS-T3-19(c).

- (a) Please confirm that there is a "grey area" where flat and residual shape pieces overlap.
- (b) Please confirm that this overlap does not necessarily mean that pieces in the "grey area" cost the same whether they are prepared as flats or parcels.
- (c) Please explain how the statement "a piece with 'flat-like' costs will likely meet the definition of a flat, in which case it would be exempt from the surcharge, as long as it is prepared in accordance with flat preparation requirements" implies that "no residual shape pieces share cost-causing characteristics with flats."

Response:

- (a) Confirmed.
- (b) Confirmed.
- (c) Because it implies that a piece with 'flat-like' costs would not be defined as a parcel; *i.e.*, parcels do not (and cannot) have flat-like costs because any such piece with flat-like costs would likely be a flat (according to Moeller).